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MAGLEBY CATAXINOS & GREENWOOD

170 South Main Street, Suite 1100 Salt Lake City, Utah 84101-3605

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Attorneys for Plaintiff Magleby Cataxinos & Greenwood

IN THE UNITED STATES DISTRICT COURT DISTRICT OF UTAH, CENTRAL DIVISION

MAGLEBY & GREENWOOD, P.C., d/b/a MAGLEBY CATAXINOS & GREENWOOD

Plaintiffs,

٧.

STENE MARSHALL an individual,
4EVERYOUNG LIMITED d/b/a
DERMAPEN AND DERMAPENWORLD a
United Kingdom Private Limited
Company, BIOSOFT PTY. LTD., an
Australian Private Company, ARTLAND
HOLDINGS, LTD., a Hong Kong Private
Limited Company, EQUIPMED
INTERNATIONAL PTY. LTD. d/b/a
DERMAPEN AND DERMAPENWORLD,
an Australian Private Company,
DERMAPENWORLD LLC, a Florida
Limited Liability Company, AND
EQUIPMED USA, LLC, a Montana
Limited Liability Company,

Defendants.

NOTICE OF ATTORNEY'S LIEN

Case No. 2:16-CV-00421

Honorable Evelyn J. Furse

Notice is hereby given that the law firm of MAGLEBY CATAXINOS & GREENWOOD ("MCG" or the "Firm"), 1 170 South Main Street, Suite 1100, Salt Lake City, Utah 84101, does hereby provide notice of and claim an attorney's lien, pursuant to Utah Code Ann. § 38-2-7, arising out of an engagement agreement and a Payment Plan Agreement (the "Payment Agreement") between MCG, on one hand, and Defendants and Counterclaim Plaintiffs Stene Marshall ("Marshall"), 4EverYoung Limited d/b/a Dermapen and Dermapenworld ("4EverYoung"), Biosoft Pty. Ltd. ("Biosoft"), and Equipmed International Pty. Ltd. d/b/a and Dermapen and Dermapenworld ("Equipmed") (collectively "Defendants"), and Artland Holdings, Ltd. ("Artland") (Defendants, with Artland Holdings, are collectively referred to herein as the "Clients"), jointly and severally.

The attorney's lien is for the balance of compensation due from Clients to MCG, for service in connection with the following, among other matters: *Derma Pen, LLC v. 4EverYoung Ltd.*, No. 2:13-CV-729-DN-EJF (D. Utah) (the "Utah Litigation"), which remains pending; three appeals filed by Derma Pen, LLC ("Derma Pen") in the United States Court of Appeals for the Tenth Circuit; and *In re Derma Pen, LLC*, No. 14-11984 (Del. Bankr.). The balance owed to MCG consists of unpaid costs and expenses, including reasonable attorney fees, connected with work performed for the Clients, which amount is currently no less than \$722,898.21. The attorney's lien is placed upon

¹ Effective December 14, 2015, the law firm of Magleby & Greenwood, P.C., changed its name to Magleby Cataxinos & Greenwood.

and against any and all property held by the Clients, whether jointly or separately, as allowed under Utah Code Ann. § 38-2-7(2), including without limitation the following:

- 1. Any real, personal, or intangible property that is the subject of or connected with the work performed for the Clients, including without limitation any bond or other monies held by the Court in the Utah Litigation, any attorney fee awards to which the Clients may be entitled in the Utah Litigation, and the Clients' interests in the Dermapen trademark (the "Trademark") and the www.dermapen.com domain name (the "Domain Name");
- 2. Any funds held by the attorney for the client, including any amounts paid as a retainer to the attorney by the client; and
- 3. Any settlement amount, fee award, verdict, report, decision, or judgment in the Clients' favor in any matter or action in which MCG assisted, including any proceeds derived from the matter or action, whether or not the attorney is employed by the client at the time the settlement, verdict, report, decision, or judgment is obtained.

Pursuant to the terms of the Payment Agreement between Clients and MCG, the attorney's lien applies specifically, at a minimum, to the following:

1. the three outstanding "awards of attorney fees entered in the Utah litigation against Derma Pen [LLC, ("Derma Pen")]and [Michael] Anderer" ("Anderer"), "including any subsequent fee awards that may be entered for conduct engaged in prior to May 1, 2015, by Derma Pen, Anderer, Derma Pen IP Holdings, LLC, or any agent, affiliate or successor thereof;"

- 2. "[t]he monies held as security in the Utah District Court . . . in the Utah Litigation for the temporary restraining orders and preliminary injunctions entered against [Derma Pen and Anderer] as a result of motions [filed] and prosecuted by [MCG], which amounts total \$140,000 (the "Bond Funds");" and
- 3. settlement funds received by Defendants in the event of any settlement with Derma Pen and/or Anderer; and
- 4. "[a]ny award of damages, judgment or other proceeds received by [Defendants] as a result of the Utah Litigation or any related proceeding."
- 5. Under Utah Code Ann. § 38-2-7(3), the attorney's lien relates back to the time of employment of MCG by the Client.

In accordance with Utah Code Ann. § 38-2-7(6), MCG provides the following information:

- Attorney Claiming the Lien: The law firm of Magleby Cataxinos &
 Greenwood, 170 South Main Street, Suite 1100, Salt Lake City Utah, 84101, telephone number: 801-359-9000.
- 2. Name of Clients Who Are the Owners of the Property Subject to the Lien: Marshall, 4EverYoung d/b/a Dermapen and Dermapenworld, Biosoft, Artland Holdings, and/or Equipmed d/b/a Dermapen and Dermapenworld.
- 3. Verification: The undersigned verifies that: (i) the property is the subject of or connected with work performed by MCG for the Client; and (ii)(A) MCG made a demand for payment of the amounts owed to MCG for the work and the Client did not pay the amounts owed within 30 days after the day on which MCG made the demand;

or (B) MCG is filing this notice of lien in accordance with written agreements between MCG and the Client.

- Date on Which MCG First Provided Legal Services to the Client: October
 14, 2013.
- 5. Description of Property: All property set forth above, including all monies derived from any collections or execution upon any monetary awards, sanctions awards, or judgment obtained in the above-captioned matter, all monies derived from any collections upon any attorney fee awards obtained in the above-captioned matter, any and all monies paid to or received by the Client in partial or total settlement of the Utah Litigation, any and all bond monies held by the Court in the Utah Litigation, and the Clients' interests in the Trademark and Domain Name.

Through the date of this Notice, said law firm is owed costs and expenses, including reasonable attorney fees, in the amount of no less than \$772,898.21.

To the best of my knowledge, the contents of this notice are true and accurate.

DATED this 19th day of May, 2016.

James E. Magleby

On the 19th day of May, 2016, personally appeared before me James E.

Magleby, who duly acknowledged to me that he is the signer of the above document, and that the foregoing is true and accurate to the best of his knowledge and belief.

SUBSCRIBED AND SWORN to before me this 19th day of May, 2016.

GREG WAYMENT
NOTARY PUBLIC - STATE OF UTAH
My Comm. Exp. 12/21/2017
Commission # 672719

NOTARY PUBLIC

Residing at: Salt Lake City

My Commission Expires: \\\a\a\1\a\017

CERTIFICATE OF SERVICE

I hereby certify that I am employed by the law firm of MAGLEBY CATAXINOS & GREENWOOD, 170 South Main Street, Suite 1100, Salt Lake City, Utah 84101, and that pursuant to Rule 5(b) of the Federal Rules of Civil Procedure, a true and correct copy of the foregoing **NOTICE OF ATTORNEY'S LIEN** was delivered to the following this 19th day of May, 2016 by Electronic Mail:

Stene Marshall
4EverYoung Limited d/b/a Dermapen
and Dermapenworld
Biosoft Pty. Ltd.
Artland Holdings, Ltd.
Equipmed International Pty. Ltd. d/b/a
Dermapen and Dermapenworld
stene@equipmed.com
artie@equipmed.com
283 Mona Vale Road
Terrey Hills NSW 2084, 2084
Sydney Australia

Janal Kidd